



**Colorado Department
of Public Health
and Environment**

OPERATING PERMIT

CF&I Steel, LP dba EVRAZ Rocky Mountain Steel – Rail Mill

First Issued: October 1, 1998

Renewed: December 28, 2010

Last Revised: February 11, 2014

AIR POLLUTION CONTROL DIVISION

COLORADO OPERATING PERMIT

FACILITY NAME:	EVRAZ Rocky Mountain Steel Mill – Rail Mill	OPERATING PERMIT NUMBER
FACILITY ID:	1010048	950PPB086
RENEWED:	December 28, 2010	
EXPIRATION DATE:	December 28, 2015	
MODIFICATIONS:	See Appendix F of Permit	

Issued in accordance with the provisions of Colorado Air Pollution Prevention and Control Act, 25-7-101 et seq. and applicable rules and regulations.

ISSUED TO:

PLANT SITE LOCATION:

EVRAZ Rocky Mountain Steel
P.O. Box 316
Pueblo, CO 81004

Rocky Mountain Steel Mill – Rail Mill
2100 South Freeway
Pueblo, CO 81004

INFORMATION RELIED UPON

Operating Permit Renewal Application Received: March 21, 2008
And Additional Information Received:

Nature of Business: Steel rail production
Primary SIC: 3312

RESPONSIBLE OFFICIAL

Name: Ben Lutz
Title: Vice President and General Manager
Phone: 719-561-6600

FACILITY CONTACT PERSON

Name: Craig West
Title: Environmental Manager
Phone: 719-561-6536

SUBMITTAL DEADLINES –

First Semi-Annual Monitoring Period:	December 1, 2013 – April 30 2014 (Report due June 1, 2014)
Subsequent Semi-Annual Monitoring Periods:	May 1 – October 31; November 1 – April 30
Subsequent Semi-Annual Monitoring Reports:	December 1, 2014 and June 1, 2015 and subsequent years
First Annual Compliance Period:	December 1, 2013 – April 30, 2014 (Report Due June 1, 2015)
Subsequent Annual Compliance Periods:	May 1 – April 30
Subsequent Annual Compliance Certifications:	January 1, 2016 and subsequent years

Note that the Semi-Annual Monitoring Reports and Annual Compliance Certifications must be received at the Division office by 5:00 p.m. on the due date. Postmarked dates will not be accepted for the purposes of determining the timely receipt of those reports/certifications.

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SECTION I - General Activities and Summary

1. Permitted Activities

- 1.1 The entire facility at this site is a steel manufacturing plant. The sources addressed in this operating permit are those related to the portion of the plant dedicated to the production of steel rails. Briefly, the rails are produced by the following sequence: Bloom heat batch identified with paint; blooms heated to 2300°F in walking beam furnace; heated blooms descaled with high pressure water spray; blooms rolled into rail shapes; rails straightened, cut, and coding painted on.

The facility is located adjacent to Interstate 25 on the south side of Pueblo, Colorado at 2100 South Freeway. The area in which the plant operates is designated as attainment for all criteria pollutants.

There are no affected states within 50 miles of the plant. The Great Sand Dunes National Monument is a Federal Class I designated area within 100 kilometers of the facility. Florissant Fossil Beds National Monument is a Federal land area within 100 kilometers of the facility. Florissant Fossil Beds National Monument has been designated by the State to have the same sulfur dioxide increment as a Federal Class I area.

- 1.2 Until such time as this permit expires or is modified or revoked, the permittee is allowed to discharge air pollutants from this facility in accordance with the requirements, limitations, and conditions of this permit.
- 1.3 The Operating Permit incorporates the applicable requirements contained in the underlying construction permits, and does not affect those applicable requirements, except as modified during review of the application or as modified subsequent to permit issuance using the modification procedures found in Regulation No. 3, Part C. These Part C procedures meet all applicable substantive New Source Review requirements of Part B. Any revisions made using the provisions of Regulation No. 3, Part C shall become new applicable requirements for purposes of this Operating Permit and shall survive reissuance. This permit incorporates the applicable requirements (except as noted in Section II) from the following construction permits: 93PB1073-6. This Operating Permit also incorporates applicable requirements from the Federal Consent Decree (Civil Action No. 03-M-0608), and State of Colorado Compliance Order on Consent 0005-03.
- 1.4 All conditions in this permit are enforceable by US Environmental Protection Agency, Colorado Air Pollution Control Division (hereinafter Division) and its agents, and citizens unless otherwise specified. **State-only enforceable conditions are:** Permit Condition Number(s): Section IV - Conditions 3.g (last paragraph), 14 & 18 (as noted).
- 1.5 All information gathered pursuant to the requirements of this permit is subject to the Recordkeeping and Reporting requirements listed under Condition 22 of the General Conditions in Section IV of this permit. Either electronic or hard copy records are acceptable.

2. Alternative Operating Scenarios

2.1 The permittee shall be allowed to make the following changes to its method of operation without applying for a revision of this permit.

2.1.1 No separate operating scenarios have been specified.

3. Prevention of Significant Deterioration

3.1 This facility is located in an area designated attainment for all pollutants. It is categorized as a major stationary source (Potential to Emit \geq 250 Tons/Year for Total Suspended Particulate Matter, Nitrogen Oxides, and Carbon Monoxide. Future modifications at this facility resulting in a significant net emissions increase (see Reg 3, Part D, Sections II.A.26 and 42) for any pollutant as listed in Regulation No. 3, Part D, Section II.A.42 or a modification which is major by itself (i.e. a Potential to Emit of \geq 250 TPY of any pollutant listed in Regulation No. 3, Part D, Section II.A.42) may result in the application of the PSD review requirements.

3.2 The following Operating Permits are associated with this facility for purposes of determining the applicability of the Prevention of Significant Deterioration regulations:

Rod/Bar Mill	95OPPB088	Steelmaking	95OPPB097
Seamless Mill	95OPPB089	Utilities	95OPPB098
Harsco Metals	09OPPB341		

4. Accidental Release Prevention Program (112(r))

4.1 Based upon the information provided by the applicant, this facility is not subject to the provisions of the Accidental Release Prevention Program (Section 112(r) of the Federal Clean Air Act).

5. Compliance Assurance Monitoring (CAM)

5.1 The following emission points at this facility use a control device to achieve compliance with an emission limitation or standard to which they are subject and have pre-control emissions that exceed or are equivalent to the major source threshold. They are therefore subject to the provisions of the CAM program as set forth in 40 CFR Part 64, as adopted by reference in Colorado Regulation No. 3, Part C, Section XIV:

None

6. Summary of Emission Units

6.1 The emissions units regulated by this permit are the following:

AIRS Point Number	Emission Unit Number	Description	Size	Construction Permit
108	SRC020	ITAM, custom built walking beam furnace, natural gas fueled.	230 MMBtu/hr	93PB1073-6
085	N/A	Paint, Ink, Solvent and Thinner Use		Grandfathered

SECTION II - Specific Permit Terms

1. ITAM Walking Beam Furnace – 230 MMBtu/hr, natural gas fueled (AIRS# 108)

Parameter	Permit Condition Number	Limitations		Compliance Emission Factor	Monitoring	
		Short Term	Long Term		Method	Interval
PM	1.1		3.19 ton/yr	7.6 lb/MMSCF	Record keeping and calculation	Monthly
PM ₁₀			3.19 ton/yr	7.6 lb/MMSCF		
SO ₂			0.25 ton/yr	0.6 lb/MMSCF		
VOC			2.31 ton/yr	5.5 lb/MMSCF		
NO _x			29.40 ton/yr	CEMS	Continuous Emission Monitor	Continuous, 12-month rolling Average
CO			35.28 ton/yr	CEMS		
Fuel Consumption	1.2		840.0 MMSCF/yr		Record keeping	Monthly
NO _x Emissions	1.3		0.07 lb/MMBtu		Continuous Emission Monitor	Continuous, 30-day rolling Average
CEMS	1.4				See Condition 1.4	
QA/QC Plan	1.5				See Condition 1.5	
Natural Gas Fuel Heat Content	1.6		1010 Btu/scf		Record keeping and calculation	Monthly
PM from Fuel Burning Equipment	1.7	$0.5(FI)^{-0.26}$ lb/MMBtu			Record keeping and calculation	One-time demonstration
Opacity	1.8	Not to Exceed 20%			Fuel restriction – Natural Gas	Only natural gas is used as fuel
	1.9	For certain operational activities – Not to Exceed 30%				
Good Operating Practices	1.10				As Required	

- 1.1 Total Particulate Matter (PM), Particulate Matter < 10 µm (PM₁₀), Nitrogen Oxide (NO_x), Volatile Organic Compounds (VOC), Carbon Monoxide (CO) and Sulfur Dioxide (SO₂) emissions from the furnace shall not exceed the limitations stated in Summary Table 1 above (Construction Permit 93PB1073-6). The emission factors listed above (from source testing, AP-42 1.4 7/98) have been approved by the Division and shall be used to calculate emissions from the furnace, as follows (with the exception of NO_x and CO emissions, which are tracked via CEMS – See Condition 1.5):

Monthly emissions of each pollutant shall be calculated by the end of the subsequent month using the above emission factors and the monthly fuel consumption in the equation below:

$$\text{Lb/mo} = \text{CEF (lbs/MMscf)} \times \text{Monthly Fuel Use (MMscf/mo)}$$

A twelve-month rolling total of emissions will be maintained in order to monitor compliance with the annual emission limitation. By the end of each month, a new twelve-month total shall be calculated using the previous twelve months' data.

- 1.2 Total natural gas fuel consumption for the furnace shall not exceed the limitation shown in Summary Table 1 above. (Construction Permit 93PB1073-6). A twelve-month rolling total shall be maintained for monitoring compliance with the annual limitation. By the end of each month a new twelve-month total shall be calculated using the previous twelve months' data.
- 1.3 NO_x emissions shall not exceed 0.07 lb/MMBtu from the furnace per the Federal Consent Decree (Civil Action No. 03-M-0608) paragraph 56(f). Compliance with this limit shall be demonstrated through the use of the CEMS required by Condition 1.4. Compliance shall be demonstrated on a 30-day weighted rolling averaging period [(lb NO_x emitted over the last 30-days)/(total BTU consumed over the last 30-days)]. (Construction Permit 93PB1073-6).
- 1.4 A continuous emission monitoring system (CEMS) shall be installed, operated, calibrated and maintained to accurately measure and record emissions of the following pollutants being discharged into the atmosphere from this furnace: Nitrogen Oxides (pounds per MMBtu, tons per month, tons per rolling twelve month period, pounds per 30-day period), Carbon Monoxide (tons per month, tons per rolling twelve month period). The data acquisition system (DAS) shall also record the fuel flow rate (mmscf/hr, mmscf per 30 day period), and calculate (using a gas heating value of 1010 Btu/scf) the heat input rate (mmBtu/hr, mmBtu per 30-day period). This CEMS/DAS shall be used to demonstrate compliance with the NO_x and CO emission limits and standards specified in Condition 1.1 and 1.3. (Construction Permit 93PB1073-6).

The owner or operator shall program the DAS to use the heating value of 1010 Btu/scf within 30 days of the issuance date of this revised permit [insert date].

- 1.5 The permittee shall implement and follow a valid Quality Assurance/Quality Control (QA/QC) plan. The QA/QC plan describes how the CEMS is installed, operated, calibrated, and

maintained. QA/QC procedures will, at a minimum, comply with the requirements of 40 CFR Part 60, Appendix F and the reporting requirements presented in the General Provisions of 40 CFR Part 60. The quality assurance/quality control plans shall be made available to the Division upon request. Revisions shall be made to the plans at the request of the Division. (Construction Permit 93PB1073-6 as modified under the provisions of Section I, condition 1.3).

- 1.6 The natural gas fuel heat content (Btu/scf) shall not exceed 1010 Btu/scf on a rolling twelve (12) month average. The permit holder shall monitor and record the monthly average natural gas fuel heat content on a monthly basis using the data from the CIG website, or another method if approved by the Division in advance. By the end of each month, a new twelve-month average is calculated based on the previous twelve months' data. The permit holder shall keep a compliance record on site for Division review. The permit holder shall apply for a permit modification within sixty (60) days of any exceedance in the rolling twelve-month average, in order to increase the heat content permit limit and the heat value used with the CEMS identified in Condition No. 1.4. (Construction Permit 93PB1073-6 as modified under the provisions of Section I, condition 1.3).

- 1.7 Particulate Matter (PM) emissions from the furnace shall not exceed the limitation calculated by use of the following equation: $PE = 0.5(FI)^{-0.26}$ (Reference: Regulation No. 1, §III.A.1.b), where PE = Particulate Emissions in pounds per million Btu heat input and FI = Fuel Input in Million Btu (MMBtu) per hour (Hr).

In the absence of credible evidence to the contrary, compliance with the emission standard for natural gas combustion may be demonstrated by maintaining a record of a calculation demonstrating the combination of the emission factor and fuel heat content precludes non-compliance. A copy of the calculation shall be made available for Division review upon request.

- 1.8 Except as provided in Condition 1.9 below, no owner or operator of a source shall allow or cause the emission into the atmosphere of any air pollutant which is in excess of 20% opacity. (Colorado Regulation No. 1, II.A.1).

In the absence of credible evidence to the contrary, compliance with the 20% opacity limit shall be presumed since only natural gas is permitted to be used as fuel for this furnace. The permittee shall maintain records that verify that only natural gas is used as fuel.

- 1.9 No owner or operator of a source shall allow or cause to be emitted into the atmosphere any air pollutant resulting from the building of a new fire, cleaning of fire boxes, soot blowing, start-up, any process modification, or adjustment or occasional cleaning of control equipment, which is in excess of 30% opacity for a period or periods aggregating more than six (6) minutes in any sixty (60) consecutive minutes (Colorado Regulation No. 1, Section II.A.4).

In the absence of credible evidence to the contrary, compliance with the 30% opacity limit shall be presumed since only natural gas is permitted to be used as fuel for this furnace. The permittee shall maintain records that verify that only natural gas is used as fuel.

- 1.10 At all times, including periods of startup, shutdown, and malfunction, owners and operators shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Administrator which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source (40 CFR Part 60, Subpart A, §60.11(d) as adopted by Regulation No. 6, Part B, I.A.).

2. Rail Mill Paint, Ink, Solvent and Thinner Use.

Parameter	Permit Condition Number	Limitations		Compliance Emission Factor	Monitoring	
		Short Term	Long Term		Method	Interval
Inventory Management and Tracking	2.1				Record keeping	See Condition 2.1
Emission Calculations	2.2	See Condition 2.2		Mass Balance	Record keeping and Calculation	Monthly
40 CFR 63 Subpart MMM	2.3	See Condition 2.3			Record keeping and Calculation	Monthly
40 CFR 63 Subpart A	2.4	See Condition 2.4				

2.1 The owner or operator shall utilize a centralized storage, inventory and handling/distribution program for all paints used at the Rail, Rod & Bar, and Seamless Mill (Compliance Order on Consent, Case No. 0005-03).

2.1.1 The owner or operator shall update MSDS on a calendar-quarter basis. All such updates shall be subject to the Record Keeping and Reporting Requirements provisions outlined in the General Permit Conditions of this permit.

2.1.2 For all products currently in use, if an updated MSDS indicates an increase in any VOC or HAP from the current MSDS on file for a particular product, the new VOC/HAP values are to be applied to the most recent previous year and subsequent rolling twelve-month emission calculations required by Condition 2.2.

2.1.3 For all products currently in use, if an updated MSDS indicates changes in organic HAP content, coating solids content or density from the current MSDS on file for a particular product, the new values are to be applied to emission calculations required by Condition 2.3. The updated information shall be used to update calculations for previous months, up to the time at which the last MSDS update was received.

2.1.4 For new products put into use at any time within a calendar quarter, the VOC/HAP values indicated in the new product's MSDS are to be applied to the previous year and subsequent rolling twelve-month emissions calculations required by Condition 2.2, and in the calculations required by Condition 2.3.

2.2 Emissions for the purposes of APEN reporting and the payment of annual fees shall be calculated using the VOC and HAP contents and density of each material used as stated on the Material Safety Data Sheet (MSDS) supplied by the manufacturer or supplier as specified by Condition 2.1 above. Monthly emissions of each pollutant shall be calculated by the end of the subsequent month. A twelve-month rolling total of emissions will be maintained. By the end of each month, a new twelve-month total shall be calculated using the previous twelve months'

data. Records of the calculations shall be kept on-site and made available for Division review upon request.

- 2.3 This source is subject to 40 CFR Part 63 Subpart M - National Emission Standards for Hazardous Air Pollutants for Surface Coating of Miscellaneous Metal Parts and Products.

The requirements below reflect the current rule language as of the revisions to 40 CFR Part 63 Subpart M published in the Federal Register on December 22, 2006. However, if revisions to this Subpart are published at a later date, the owner or operator is subject to the requirements contained in the revised version of 40 CFR Part 63, Subpart M.

(§63.3890) What emission limits must I meet?

- 2.3.1 For an existing affected source, you must limit organic HAP emissions to the atmosphere from the affected source to the applicable limit specified in Condition 2.3.1.1, determined according to the requirements in Condition 2.3.18 (§63.3890(b)).

2.3.1.1 For each existing general use coating affected source, limit organic HAP emissions to no more than 0.31 kg (2.6 lb) organic HAP per liter (gal) coating solids used during each 12-month compliance period (§63.3890(b)(1)).

(§63.3891) What are my options for meeting the emission limits?

- 2.3.2 You must include all coatings (as defined in § 63.3981), thinners and/or other additives, and cleaning materials used in the affected source when determining whether the organic HAP emission rate is equal to or less than the applicable emission limit in Condition 2.3.1. To make this determination, you must use at least one of the three compliance options listed in paragraphs (a) through (c) of §63.3891 of Subpart M. You may apply any of the compliance options to an individual coating operation, or to multiple coating operations as a group, or to the entire affected source. You may use different compliance options for different coating operations, or at different times on the same coating operation. You may employ different compliance options when different coatings are applied to the same part, or when the same coating is applied to different parts. However, you may not use different compliance options at the same time on the same coating operation. If you switch between compliance options for any coating operation or group of coating operations, you must document this switch as required by Condition 2.3.10, and you must report it in the next semiannual compliance report required in Condition 2.3.7 (§63.3891).

Within sixty (60) days of switching to a different compliance option, the owner or operator shall submit an application to modify this permit to incorporate the specific emission limitations and compliance monitoring methods of the new compliance option.

2.3.3 The compliance option specified in the Notification of Compliance Status Report submitted by the permittee on January 31, 2013 is the “Emission Rate Without add-on Controls” Option (§63.3891(b)). The requirements of this option are specified in Condition 2.3.3.1. If the owner or operator chooses a different compliance option, the requirements of Condition 2.3.2 shall be met.

2.3.3.1 Demonstrate that, based on the coatings, thinners and/or other additives, and cleaning materials used in the coating operation(s), the organic HAP emission rate for the coating operation(s) is less than or equal to the applicable emission limit in Condition 2.3.1, calculated as a rolling 12-month emission rate and determined on a monthly basis. You must meet all the requirements of Conditions 2.3.14 through 2.3.17 to demonstrate compliance with the emission limit using this option (§63.3891(b))

In accordance with §63.3951, the applicable emission limit in Condition 2.3.1 may be applied to a coating operation or to a group of coating operations.

(§63.3900) *What are my general requirements for complying with this subpart?*

2.3.4 Any coating operation(s) for which you use the emission rate without add-on controls option, as specified in Condition 2.3.3 must be in compliance with the applicable emission limit in Condition 2.3.1 at all times (§63.3900(a)(1)).

2.3.5 You must always operate and maintain your affected source, including all air pollution control and monitoring equipment you use for purposes of complying with this subpart, according to the provisions in § 63.6(e)(1)(i). (§63.3900(b)).

(§63.3901) *What parts of the General Provisions apply to me?*

2.3.6 Table 2 to Subpart Mmmm shows which parts of the General Provisions in §§ 63.1 through 63.15 apply to you (§63.3901)

(63.3920) *What reports must I submit?*

2.3.7 You must submit semiannual compliance reports for each affected source according to the following schedule (approved as a requested alternative schedule under the provisions of §63.10(a)(5) to coincide with the Seamless Mill semiannual reporting schedule in permit 95OPPB089):

Semiannual Period	Report Due Date
July 1, 2013 – October 31, 2013	December 1, 2013
<i>Subsequent Reports:</i> November 1 – April 30 May 1 – October 31	June 1 December 1

The report must contain the information specified in §63.3920(a)(3) through (6) (§63.3920(a)(3)).

(§63.3930 & 3931) What record must I keep, in what form and for how long?

2.3.8 You must keep a copy of each notification and report that you submitted to comply with Subpart MMMM, and the documentation supporting each notification and report. (§63.3930(a)).

2.3.9 You must keep a current copy of information provided by materials suppliers or manufacturers, such as manufacturer's formulation data, or test data used to determine the mass fraction of organic HAP and density for each coating, thinner and/or other additive, and cleaning material, and the volume fraction of coating solids for each coating. If you conducted testing to determine mass fraction of organic HAP, density, or volume fraction of coating solids, you must keep a copy of the complete test report. If you use information provided to you by the manufacturer or supplier of the material that was based on testing, you must keep the summary sheet of results provided to you by the manufacturer or supplier. You are not required to obtain the test report or other supporting documentation from the manufacturer or supplier (§63.3930(b)).

In absence of credible evidence to the contrary, compliance with this requirement is presumed provided the requirements of Condition 2.1 are met.

2.3.10 For each compliance period, you must keep the following records:

2.3.10.1 A record of the coating operations on which you used each compliance option and the time periods (beginning and ending dates and times) for each option you used (§63.3930(c)(1))

2.3.10.2 A record of the calculation of the total mass of organic HAP emissions for the coatings, thinners and/or other additives, and cleaning materials used each month using the procedures described in Condition 2.3.18; and, if applicable, the calculation used to determine mass of organic HAP in waste materials according to §63.3951(e); the calculation of the total volume of coating solids used each month using Equation 2 of Condition 2.3.18.6; and the calculation of each 12-month organic HAP emission rate using Equation 3 of Condition 2.3.18.7. (§63.3930(c)(3)).

2.3.10.3 A record of the name and volume of each coating, thinner and/or other additive, and cleaning material (§63.3930(d)).

2.3.10.4 A record of the mass fraction of organic HAP for each coating, thinner and/or other additive, and cleaning material used unless the material is tracked by weight (§63.3930(e)).

2.3.10.5 A record of the volume fraction of coating solids for each coating used (§63.3930(f)).

- 2.3.10.6 A record of the density for each coating, thinner and/or other additive, and cleaning material used (§63.3930(g))
- 2.3.10.7 If you use an allowance in Equation 1 of Condition 2.3.18.5 for organic HAP contained in waste materials sent to or designated for shipment to a treatment, storage, and disposal facility (TSDF) according to § 63.3951(e)(4), you must keep records of the information specified in §63.3930(h)(1) through (3) (§63.3930(h)).
- 2.3.10.8 You must keep records of the date, time, and duration of each deviation (§63.3930(j))
- 2.3.11 Your records must be in a form suitable and readily available for expeditious review, according to § 63.10(b)(1). Where appropriate, the records may be maintained as electronic spreadsheets or as a database (§63.3931(a)).
- 2.3.12 As specified in § 63.10(b)(1), you must keep each record for 5 years following the date of each occurrence, measurement, maintenance, corrective action, report, or record (§63.3931(b)).
- 2.3.13 You must keep each record on-site for at least 2 years after the date of each occurrence, measurement, maintenance, corrective action, report, or record according to § 63.10(b)(1). You may keep the records off-site for the remaining 3 years (§63.3930(c)).

(§63.3952) *How do I demonstrate continuous compliance with the emission limitations?*

- 2.3.14 To demonstrate continuous compliance, the organic HAP emission rate for each compliance period, determined according to Condition 2.3.18, must be less than or equal to the applicable emission limit in Condition 2.3.1. A compliance period consists of 12 months. Each month after the end of the initial compliance period is the end of a compliance period consisting of that month and the preceding 11 months. You must perform the calculations in § Condition 2.3.18 on a monthly basis using data from the previous 12 months of operation. (§63.3952(a)).
- 2.3.15 If the organic HAP emission rate for any 12-month compliance period exceeded the applicable emission limit in Condition 2.3.1, this is a deviation from the emission limitation for that compliance period and must be reported as specified in Condition 2.3.7 (§63.3952(b)).
- 2.3.16 As part of each semiannual compliance report required by Condition 2.3.7, you must identify the coating operation(s) for which you used the emission rate without add-on controls option. If there were no deviations from the emission limitations, you must submit a statement that the coating operation(s) was (were) in compliance with the emission limitations during the reporting period because the organic HAP emission rate for each compliance period was less than or equal to the applicable emission limit in Condition 2.3.1, determined according to Condition 2.3.18 (§63.3951(c)).

- 2.3.17 You must maintain records as specified in Conditions 2.3.8 through 2.3.13 (§63.3952(d)).

Determining Organic HAP Emission Rate

- 2.3.18 The Organic HAP Emission Rate is determined using the procedures of §63.3951(a) through (g) as follows:

- 2.3.18.1 Determine the mass fraction of organic HAP for each material used. You must determine the mass fraction of organic HAP for each coating, thinner and/or other additive, and cleaning material used during the compliance period by using one of the options in §63.3941(a)(1) through (a)(5) (§63.3941(a), via §63.3951(a))

In absence of credible evidence to the contrary, Material Safety Data Sheets (MSDS) meet the requirements of §63.3941(a)(4), and may be used to determine the mass fraction of organic HAP for each material used.

- 2.3.18.2 Determine the volume fraction of coating solids for each coating. You must determine the volume fraction of coating solids (liters (gal) of coating solids per liter (gal) of coating) for each coating used during the compliance period by a test, by information provided by the supplier or the manufacturer of the material, or by calculation, as specified in §63.3941(b)(1) through (4). If test results obtained according to paragraph (b)(1) do not agree with the information obtained under paragraph (b)(3) or (4), the test results will take precedence unless, after consultation, you demonstrate to the satisfaction of the enforcement agency that the formulation data are correct (§63.3941(b), via §63.3951(b)).

In absence of credible evidence to the contrary, Material Safety Data Sheets (MSDS) meet the requirements of §63.3941(b)(3), and may be used to determine the volume fraction of coating solids for each coating used.

- 2.3.18.3 Determine the density of each material. Determine the density of each liquid coating, thinner and/or other additive, and cleaning material used during each month from test results using ASTM Method D1475-98, “Standard Test Method for Density of Liquid Coatings, Inks, and Related Products” (incorporated by reference, see § 63.14), information from the supplier or manufacturer of the material, or reference sources providing density or specific gravity data for pure materials. If you are including powder coatings in the compliance determination, determine the density of powder coatings, using ASTM Method D5965-02, “Standard Test Methods for Specific Gravity of Coating Powders” (incorporated by reference, see § 63.14), or information from the supplier. If there is disagreement between ASTM Method D1475-98 or ASTM Method D5965-02 test results and other such information sources, the test results

will take precedence unless, after consultation you demonstrate to the satisfaction of the enforcement agency that the formulation data are correct. If you purchase materials or monitor consumption by weight instead of volume, you do not need to determine material density. Instead, you may use the material weight in place of the combined terms for density and volume in Equations 1A, 1B, 1C, and 2 in Conditions 2.3.18.5 and 2.3.18.6 (§63.3951(c)).

In absence of credible evidence to the contrary, Material Safety Data Sheets (MSDS) meet the requirements of §63.3951(c), and may be used to determine the density of each material used.

2.3.18.4 Determine the volume of each material used. Determine the volume of each coating, thinner and/or other additive, and cleaning material used during each month by measurement or usage records. If you purchase materials or monitor consumption by weight instead of volume, you do not need to determine the volume of each material used. Instead, you may use the material weight in place of the combined terms for density and volume in Equations 1A, 1B and 1C in Condition 2.3.18.5 (§63.3951(d)).

2.3.18.5 Calculate the mass of organic HAP emissions. The mass of organic HAP emissions is the combined mass of organic HAP contained in all coatings, thinners and/or other additives, and cleaning materials used during each month minus the organic HAP in certain waste materials. Calculate the mass of organic HAP emissions using the following equations (§63.3951(e)):

$$H_E = A+B+C-R_W \quad \text{Equation 1}$$

Where:

H_e = Total mass of organic HAP emissions during the month, kg (or lb).

A = Total mass of organic HAP in the coatings used during the month, kg (or lb), as calculated in Equation 1A of this section.

B = Total mass of organic HAP in the thinners and/or other additives used during the month, kg (or lb), as calculated in Equation 1B of this section.

C = Total mass of organic HAP in the cleaning materials used during the month, kg (or lb), as calculated in Equation 1C of this section.

R_w = Total mass of organic HAP in waste materials sent or designated for shipment to a hazardous waste TSDF for treatment or disposal during the month, kg (or lb), determined according to paragraph (e)(4) of this section. (You may assign a value of zero to R_w if you do not wish to use this allowance.)

$$A = \sum_{i=1}^m (\text{Vol}_{c,i})(D_{c,i})(W_{c,i}) \quad \text{Equation 1A}$$

Where:

A = Total mass of organic HAP in the coatings used during the month, kg (or lb)

Vol_{c,i} = Total volume of coating, i, used during the month, liters (or gal)

D_{c,i} = Density of coating, i, kg coating per liter coating (or lb/gal)

W_{c,i} = Mass fraction of organic HAP in coating, i, kg (or lb) organic HAP per kg (or lb) coating. For reactive adhesives as defined in §63.3981, use the mass fraction of organic HAP that is emitted as determined using the method in appendix A to subpart PPPP of this part

m = Number of different coatings used during the month.

$$B = \sum_{j=1}^n (\text{Vol}_{t,j})(D_{t,j})(W_{t,j}) \quad \text{Equation 1B}$$

Where:

B = Total mass of organic HAP in the thinners and/or other additives used during the month, kg (or lb).

Vol_{t,i} = Total volume of thinner and/or other additive, j, used during the month, liters (or gal).

D_{t,i} = Density of thinner and/or other additive, j, kg per liter (or lb/gal)

W_{t,i} = Mass fraction of organic HAP in thinner and/or other additive, j, kg (or lb) organic HAP per kg (or lb) thinner and/or other additive. For reactive adhesives as defined in §63.3981, use the mass fraction of organic HAP that is emitted as determined using the method in appendix A to subpart PPPP of this part.

n = Number of different thinners and/or other additives used during the month.

$$C = \sum_{k=1}^p (Vol_{s,k})(D_{s,k})(W_{s,k}) \quad \text{Equation 1C}$$

Where:

- C = Total mass of organic HAP in the cleaning materials used during the month, kg (or lb).
- Vol_{s,k} = Total volume of cleaning material, k, used during the month, liters (or vol).
- D_{s,k} = Density of cleaning material, k, kg per liter (or lb/gal).
- W_{s,k} = Mass fraction of organic HAP in cleaning material, k, kg (or lb) organic HAP per kg (or lb) material.
- p = Number of different cleaning materials used during the month.

If you choose to account for the mass of organic HAP contained in waste materials sent or designated for shipment to a hazardous waste TSDF in Equation 1 above, then you must determine the mass according to §63.3951(e)(4)(i) through (iv) (§63.3951(e)(4)).

- 2.3.18.6 Calculate the total volume of coating solids used. Determine the total volume of coating solids used, liters (or gal), which is the combined volume of coating solids for all the coatings used during each month, using the following equation (§63.3951(f)):

$$V_{st} = \sum_{i=1}^m (Vol_{c,i})(V_{s,i}) \quad \text{Equation 2}$$

Where:

- V_{st} = Total volume of coating solids used during the month, liters (or gal)
- Vol_{c,i} = Total volume of coating, i, used during the month, liters (or gal)
- V_{s,i} = Volume fraction of coating solids for coating, i, liter (or gal) solids per liter (or gal) coating, determined according to Condition 2.3.18.2
- m = Number of coatings used during the month.

- 2.3.18.7 Calculate the organic HAP emission rate. Calculate the organic HAP emission rate for the compliance period, kg (lb) organic HAP emitted per liter (gal) coating solids used, using the following equation (§63.3951(g)):

$$H_{yr} = \sum_{y=1}^n H_e / \sum_{y=1}^n V_{st} \quad \text{Equation 3}$$

Where:

- H_{yr} = Average organic HAP emission rate for the compliance period, kg organic HAP emitted per liter coating solids used (or lb/gal).
- H_e = Total mass of organic HAP emissions from all materials used during month, y, kg (lb), as calculated by Equation 1 above
- V_{st} = Total volume of coating solids used during month, y, liters (or gal), as calculated by Equation 2 above
- y = Identifier for months.
- n = Number of full or partial months in the compliance period (for the initial compliance period, n equals 12 if the compliance date falls on the first day of a month; otherwise n equals 13; for all following compliance periods, n equals 12).

- 2.4 These operations are subject to the requirements in 40 CFR Part 63 Subpart A “General Provisions”, as adopted by reference in Colorado Regulation No. 8, Part E, Section I as specified in 40 CFR Part 63 Subpart M § 63.3901. These requirements include, but are not limited to the following:
- 2.4.1 Prohibited activities and circumvention in § 63.4.
 - 2.4.2 Operation and Maintenance Requirements in §63.6(e)(1)
 - 2.4.3 Notification Requirements in §63.9.
 - 2.4.4 Recordkeeping and Reporting Requirements in §63.10.

SECTION III - Permit Shield

Regulation No. 3, 5 CCR 1001-5, Part C, §§ I.A.4, V.D. & XIII.B; § 25-7-114.4(3)(a), C.R.S.

1. Specific Non-Applicable Requirements

Based on the information available to the Division and supplied by the applicant, the following parameters and requirements have been specifically identified as non-applicable to the facility to which this permit has been issued. This shield does not protect the source from any violations that occurred prior to or at the time of permit issuance. In addition, this shield does not protect the source from any violations that occur as a result of any modifications or reconstruction on which construction commenced prior to permit issuance.

Emission Unit Description & Number	Applicable Requirement	Justification
62 - ITAM Furnace 86	Regulation No. 6, Part B §II.D	This regulation applies to coal- or oil-fired equipment and combustion turbines. This unit is a furnace fired by natural gas fuel only.
Plant-wide	Title V, Section IV, General Condition 30, Wood burning Stoves and Appliances	The permittee does not advertise, sell, install or use wood burning stoves or appliances.

2. General Conditions

Compliance with this Operating Permit shall be deemed compliance with all applicable requirements specifically identified in the permit and other requirements specifically identified in the permit as not applicable to the source. This permit shield shall not alter or affect the following:

- 2.1 The provisions of §§ 25-7-112 and 25-7-113, C.R.S., or § 303 of the federal act, concerning enforcement in cases of emergency;
- 2.2 The liability of an owner or operator of a source for any violation of applicable requirements prior to or at the time of permit issuance;
- 2.3 The applicable requirements of the federal Acid Rain Program, consistent with § 408(a) of the federal act;
- 2.4 The ability of the Air Pollution Control Division to obtain information from a source pursuant to § 25-7-111(2)(I), C.R.S., or the ability of the Administrator to obtain information pursuant to § 114 of the federal act;
- 2.5 The ability of the Air Pollution Control Division to reopen the Operating Permit for cause pursuant to Regulation No. 3, Part C, § XIII.
- 2.6 Sources are not shielded from terms and conditions that become applicable to the source subsequent to permit issuance.

3. Stream-lined Conditions

The following applicable requirements have been subsumed within this operating permit using the pertinent streamlining procedures approved by the U.S. EPA. For purposes of the permit shield, compliance with the listed permit conditions will also serve as a compliance demonstration for purposes of the associated subsumed requirements.

No conditions have been streamlined.

SECTION IV - General Permit Conditions ver 5/22/2012

1. Administrative Changes

Regulation No. 3, 5 CCR 1001-5, Part A, § III.

The permittee shall submit an application for an administrative permit amendment to the Division for those permit changes that are described in Regulation No. 3, Part A, § I.B.1. The permittee may immediately make the change upon submission of the application to the Division.

2. Certification Requirements

Regulation No. 3, 5 CCR 1001-5, Part C, §§ III.B.9., V.C.16.a.& e. and V.C.17.

- a. Any application, report, document and compliance certification submitted to the Air Pollution Control Division pursuant to Regulation No. 3 or the Operating Permit shall contain a certification by a responsible official of the truth, accuracy and completeness of such form, report or certification stating that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.
- b. All compliance certifications for terms and conditions in the Operating Permit shall be submitted to the Air Pollution Control Division at least annually unless a more frequent period is specified in the applicable requirement or by the Division in the Operating Permit.
- c. Compliance certifications shall contain:
 - (i) the identification of each permit term and condition that is the basis of the certification;
 - (ii) the compliance status of the source;
 - (iii) whether compliance was continuous or intermittent;
 - (iv) method(s) used for determining the compliance status of the source, currently and over the reporting period; and
 - (v) such other facts as the Air Pollution Control Division may require to determine the compliance status of the source.
- d. All compliance certifications shall be submitted to the Air Pollution Control Division and to the Environmental Protection Agency at the addresses listed in Appendix D of this Permit.
- e. If the permittee is required to develop and register a risk management plan pursuant to § 112(r) of the federal act, the permittee shall certify its compliance with that requirement; the Operating Permit shall not incorporate the contents of the risk management plan as a permit term or condition.

3. Common Provisions

Common Provisions Regulation, 5 CCR 1001-2 §§ II.A., II.B., II.C., II.E., II.F., II.I. and II.J

- a. To Control Emissions Leaving Colorado

When emissions generated from sources in Colorado cross the State boundary line, such emissions shall not cause the air quality standards of the receiving State to be exceeded, provided reciprocal action is taken by the receiving State.

b. Emission Monitoring Requirements

The Division may require owners or operators of stationary air pollution sources to install, maintain, and use instrumentation to monitor and record emission data as a basis for periodic reports to the Division.

c. Performance Testing

The owner or operator of any air pollution source shall, upon request of the Division, conduct performance test(s) and furnish the Division a written report of the results of such test(s) in order to determine compliance with applicable emission control regulations.

Performance test(s) shall be conducted and the data reduced in accordance with the applicable reference test methods unless the Division:

- (i) specifies or approves, in specific cases, the use of a test method with minor changes in methodology;
- (ii) approves the use of an equivalent method;
- (iii) approves the use of an alternative method the results of which the Division has determined to be adequate for indicating where a specific source is in compliance; or
- (iv) waives the requirement for performance test(s) because the owner or operator of a source has demonstrated by other means to the Division's satisfaction that the affected facility is in compliance with the standard. Nothing in this paragraph shall be construed to abrogate the Commission's or Division's authority to require testing under the Colorado Revised Statutes, Title 25, Article 7, and pursuant to regulations promulgated by the Commission.

Compliance test(s) shall be conducted under such conditions as the Division shall specify to the plant operator based on representative performance of the affected facility. The owner or operator shall make available to the Division such records as may be necessary to determine the conditions of the performance test(s). Operations during period of startup, shutdown, and malfunction shall not constitute representative conditions of performance test(s) unless otherwise specified in the applicable standard.

The owner or operator of an affected facility shall provide the Division thirty days prior notice of the performance test to afford the Division the opportunity to have an observer present. The Division may waive the thirty day notice requirement provided that arrangements satisfactory to the Division are made for earlier testing.

The owner or operator of an affected facility shall provide, or cause to be provided, performance testing facilities as follows:

- (i) Sampling ports adequate for test methods applicable to such facility;
- (ii) Safe sampling platform(s);
- (iii) Safe access to sampling platform(s); and
- (iv) Utilities for sampling and testing equipment.

Each performance test shall consist of at least three separate runs using the applicable test method. Each run shall be conducted for the time and under the conditions specified in the applicable standard. For the purpose of determining compliance with an applicable standard, the arithmetic mean of results of at least three runs shall apply. In the event that a sample is accidentally lost or conditions occur in which one of the runs must be discontinued because of forced shutdown, failure of an irreplaceable portion of the sample train, extreme meteorological conditions, or other circumstances beyond the owner or operator's control, compliance may, upon the Division's approval, be determined using the arithmetic mean of the results of the two other runs.

Nothing in this section shall abrogate the Division's authority to conduct its own performance test(s) if so warranted.

d. Affirmative Defense Provision for Excess Emissions during Malfunctions

An affirmative defense to a claim of violation under these regulations is provided to owners and operators for civil penalty actions for excess emissions during periods of malfunction. To establish the affirmative defense and to be relieved of a civil penalty in any action to enforce an applicable requirement, the owner or operator of the facility must meet the notification requirements below in a timely manner and prove by a preponderance of evidence that:

- (i) The excess emissions were caused by a sudden, unavoidable breakdown of equipment, or a sudden, unavoidable failure of a process to operate in the normal or usual manner, beyond the reasonable control of the owner or operator;
- (ii) The excess emissions did not stem from any activity or event that could have reasonably been foreseen and avoided, or planned for, and could not have been avoided by better operation and maintenance practices;
- (iii) Repairs were made as expeditiously as possible when the applicable emission limitations were being exceeded;
- (iv) The amount and duration of the excess emissions (including any bypass) were minimized to the maximum extent practicable during periods of such emissions;
- (v) All reasonably possible steps were taken to minimize the impact of the excess emissions on ambient air quality;
- (vi) All emissions monitoring systems were kept in operation (if at all possible);
- (vii) The owner or operator's actions during the period of excess emissions were documented by properly signed, contemporaneous operating logs or other relevant evidence;
- (viii) The excess emissions were not part of a recurring pattern indicative of inadequate design, operation, or maintenance;
- (ix) At all times, the facility was operated in a manner consistent with good practices for minimizing emissions. This section is intended solely to be a factor in determining whether an affirmative defense is available to an owner or operator, and shall not constitute an additional applicable requirement; and
- (x) During the period of excess emissions, there were no exceedances of the relevant ambient air quality standards established in the Commissions' Regulations that could be attributed to the emitting source.

The owner or operator of the facility experiencing excess emissions during a malfunction shall notify the division verbally as soon as possible, but no later than noon of the Division's next working day, and shall submit written notification following the initial occurrence of the excess emissions by the end of the source's next reporting period. The notification shall address the criteria set forth above.

The Affirmative Defense Provision contained in this section shall not be available to claims for injunctive relief.

The Affirmative Defense Provision does not apply to failures to meet federally promulgated performance standards or emission limits, including, but not limited to, new source performance standards and national emission standards for hazardous air pollutants. The affirmative defense provision does not apply to state implementation plan (sip) limits or permit limits that have been set taking into account potential emissions during malfunctions, including, but not necessarily limited to, certain limits with 30-day or longer averaging times, limits that indicate they apply during malfunctions, and limits that indicate they apply at all times or without exception.

e. Circumvention Clause

A person shall not build, erect, install, or use any article, machine, equipment, condition, or any contrivance, the use of which, without resulting in a reduction in the total release of air pollutants to the atmosphere, reduces or conceals an emission which would otherwise constitute a violation of this regulation. No person shall circumvent this regulation by using more openings than is considered normal practice by the industry or activity in question.

f. Compliance Certifications

For the purpose of submitting compliance certifications or establishing whether or not a person has violated or is in violation of any standard in the Colorado State Implementation Plan, nothing in the Colorado State Implementation Plan shall preclude the use, including the exclusive use, of any credible evidence or information, relevant to whether a source would have been in compliance with applicable requirements if the appropriate performance or compliance test or procedure had been performed. Evidence that has the effect of making any relevant standard or permit term more stringent shall not be credible for proving a violation of the standard or permit term.

When compliance or non-compliance is demonstrated by a test or procedure provided by permit or other applicable requirement, the owner or operator shall be presumed to be in compliance or non-compliance unless other relevant credible evidence overcomes that presumption.

g. Affirmative Defense Provision for Excess Emissions During Startup and Shutdown

An affirmative defense is provided to owners and operators for civil penalty actions for excess emissions during periods of startup and shutdown. To establish the affirmative defense and to be relieved of a civil penalty in any action to enforce an applicable requirement, the owner or operator of the facility must meet the notification requirements below in a timely manner and prove by a preponderance of the evidence that:

- (i) The periods of excess emissions that occurred during startup and shutdown were short and infrequent and could not have been prevented through careful planning and design;
- (ii) The excess emissions were not part of a recurring pattern indicative of inadequate design, operation or maintenance;
- (iii) If the excess emissions were caused by a bypass (an intentional diversion of control equipment), then the bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
- (iv) The frequency and duration of operation in startup and shutdown periods were minimized to the maximum extent practicable;
- (v) All possible steps were taken to minimize the impact of excess emissions on ambient air quality;
- (vi) All emissions monitoring systems were kept in operation (if at all possible);
- (vii) The owner or operator's actions during the period of excess emissions were documented by properly signed, contemporaneous operating logs or other relevant evidence; and,
- (viii) At all times, the facility was operated in a manner consistent with good practices for minimizing emissions. This subparagraph is intended solely to be a factor in determining whether an affirmative defense is available to an owner or operator, and shall not constitute an additional applicable requirement.

The owner or operator of the facility experiencing excess emissions during startup and shutdown shall notify the Division verbally as soon as possible, but no later than two (2) hours after the start of the next working day, and shall submit written quarterly notification following the initial occurrence of the excess emissions. The notification shall address the criteria set forth above.

The Affirmative Defense Provision contained in this section shall not be available to claims for injunctive relief.

The Affirmative Defense Provision does not apply to State Implementation Plan provisions or other requirements that derive from new source performance standards or national emissions standards for hazardous air pollutants, or any other federally enforceable performance standard or emission limit with an averaging time greater than twenty-four hours. In addition, an affirmative defense cannot be used by a single source or small group of sources where the excess emissions have the potential to cause an exceedance of the ambient air quality standards or Prevention of Significant Deterioration (PSD) increments.

In making any determination whether a source established an affirmative defense, the Division shall consider the information within the notification required above and any other information the Division deems necessary, which may include, but is not limited to, physical inspection of the facility and review of documentation pertaining to the maintenance and operation of process and air pollution control equipment.

4. Compliance Requirements

Regulation No. 3, 5 CCR 1001-5, Part C, §§ III.C.9., V.C.11. & 16.d. and § 25-7-122.1(2), C.R.S.

- a. The permittee must comply with all conditions of the Operating Permit. Any permit noncompliance relating to federally-enforceable terms or conditions constitutes a violation of the federal act, as well as the state act and Regulation No. 3. Any permit noncompliance relating to state-only terms or conditions constitutes a violation of the state act and Regulation No. 3, shall be enforceable pursuant to state law, and shall not be enforceable by citizens under § 304 of the federal act. Any such violation of the federal act, the state act or regulations implementing either statute is grounds for enforcement action, for permit termination, revocation and reissuance or modification or for denial of a permit renewal application.
- b. It shall not be a defense for a permittee in an enforcement action or a consideration in favor of a permittee in a permit termination, revocation or modification action or action denying a permit renewal application that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit.
- c. The permit may be modified, revoked, reopened, and reissued, or terminated for cause. The filing of any request by the permittee for a permit modification, revocation and reissuance, or termination, or any notification of planned changes or anticipated noncompliance does not stay any permit condition, except as provided in §§ X. and XI. of Regulation No. 3, Part C.
- d. The permittee shall furnish to the Air Pollution Control Division, within a reasonable time as specified by the Division, any information that the Division may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the Division copies of records required to be kept by the permittee, including information claimed to be confidential. Any information subject to a claim of confidentiality shall be specifically identified and submitted separately from information not subject to the claim.
- e. Any schedule for compliance for applicable requirements with which the source is not in compliance at the time of permit issuance shall be supplemental, and shall not sanction noncompliance with, the applicable requirements on which it is based.
- f. For any compliance schedule for applicable requirements with which the source is not in compliance at the time of permit issuance, the permittee shall submit, at least every 6 months unless a more frequent period is specified in the applicable requirement or by the Air Pollution Control Division, progress reports which contain the following:
 - (i) dates for achieving the activities, milestones, or compliance required in the schedule for compliance, and dates when such activities, milestones, or compliance were achieved; and
 - (ii) an explanation of why any dates in the schedule of compliance were not or will not be met, and any preventive or corrective measures adopted.

- g. The permittee shall not knowingly falsify, tamper with, or render inaccurate any monitoring device or method required to be maintained or followed under the terms and conditions of the Operating Permit.

5. Emergency Provisions

Regulation No. 3, 5 CCR 1001-5, Part C, § VII.E

An emergency means any situation arising from sudden and reasonably unforeseeable events beyond the control of the source, including acts of God, which situation requires immediate corrective action to restore normal operation, and that causes the source to exceed the technology-based emission limitation under the permit due to unavoidable increases in emissions attributable to the emergency. "Emergency" does not include noncompliance to the extent caused by improperly designed equipment, lack of preventative maintenance, careless or improper operation, or operator error. An emergency constitutes an affirmative defense to an enforcement action brought for noncompliance with a technology-based emission limitation if the permittee demonstrates, through properly signed, contemporaneous operating logs, or other relevant evidence that:

- a. an emergency occurred and that the permittee can identify the cause(s) of the emergency;
- b. the permitted facility was at the time being properly operated;
- c. during the period of the emergency the permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit; and
- d. the permittee submitted oral notice of the emergency to the Air Pollution Control Division no later than noon of the next working day following the emergency, and followed by written notice within one month of the time when emissions limitations were exceeded due to the emergency. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

This emergency provision is in addition to any emergency or malfunction provision contained in any applicable requirement.

6. Emission Controls for Asbestos

Regulation No. 8, 5 CCR 1001-10, Part B

The permittee shall not conduct any asbestos abatement activities except in accordance with the provisions of Regulation No. 8, Part B, "asbestos control."

7. Emissions Trading, Marketable Permits, Economic Incentives

Regulation No. 3, 5 CCR 1001-5, Part C, § V.C.13.

No permit revision shall be required under any approved economic incentives, marketable permits, emissions trading and other similar programs or processes for changes that are specifically provided for in the permit.

8. Fee Payment

C.R.S §§ 25-7-114.1(6) and 25-7-114.7

- a. The permittee shall pay an annual emissions fee in accordance with the provisions of C.R.S. § 25-7-114.7. A 1% per month late payment fee shall be assessed against any invoice amounts not paid in full on the 91st day after the date of invoice, unless a permittee has filed a timely protest to the invoice amount.
- b. The permittee shall pay a permit processing fee in accordance with the provisions of C.R.S. § 25-7-114.7. If the Division estimates that processing of the permit will take more than 30 hours, it will notify the permittee of its estimate of what the actual charges may be prior to commencing any work exceeding the 30 hour limit.

- c. The permittee shall pay an APEN fee in accordance with the provisions of C.R.S. § 25-7-114.1(6) for each APEN or revised APEN filed.

9. Fugitive Particulate Emissions

Regulation No. 1, 5 CCR 1001-3, § III.D.1.

The permittee shall employ such control measures and operating procedures as are necessary to minimize fugitive particulate emissions into the atmosphere, in accordance with the provisions of Regulation No. 1, § III.D.1.

10. Inspection and Entry

Regulation No. 3, 5 CCR 1001-5, Part C, § V.C.16.b.

Upon presentation of credentials and other documents as may be required by law, the permittee shall allow the Air Pollution Control Division, or any authorized representative, to perform the following:

- a. enter upon the permittee's premises where an Operating Permit source is located, or emissions-related activity is conducted, or where records must be kept under the terms of the permit;
- b. have access to, and copy, at reasonable times, any records that must be kept under the conditions of the permit;
- c. inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the Operating Permit;
- d. sample or monitor at reasonable times, for the purposes of assuring compliance with the Operating Permit or applicable requirements, any substances or parameters.

11. Minor Permit Modifications

Regulation No. 3, 5 CCR 1001-5, Part C, §§ X. & XI.

The permittee shall submit an application for a minor permit modification before making the change requested in the application. The permit shield shall not extend to minor permit modifications.

12. New Source Review

Regulation No. 3, 5 CCR 1001-5, Part B

The permittee shall not commence construction or modification of a source required to be reviewed under the New Source Review provisions of Regulation No. 3, Part B, without first receiving a construction permit.

13. No Property Rights Conveyed

Regulation No. 3, 5 CCR 1001-5, Part C, § V.C.11.d.

This permit does not convey any property rights of any sort, or any exclusive privilege.

14. Odor

Regulation No. 2, 5 CCR 1001-4, Part A

As a matter of state law only, the permittee shall comply with the provisions of Regulation No. 2 concerning odorous emissions.

15. Off-Permit Changes to the Source

Regulation No. 3, 5 CCR 1001-5, Part C, § XII.B.

The permittee shall record any off-permit change to the source that causes the emissions of a regulated pollutant subject to an applicable requirement, but not otherwise regulated under the permit, and the emissions resulting from the change, including any other data necessary to show compliance with applicable ambient air quality standards. The permittee shall provide contemporaneous notification to the Air Pollution Control Division and to the Environmental Protection Agency at the addresses listed in Appendix D of this Permit. The permit shield shall not apply to any off-permit change.

16. Opacity

Regulation No. 1, 5 CCR 1001-3, §§ I., II.

The permittee shall comply with the opacity emissions limitation set forth in Regulation No. 1, §§ I.- II.

17. Open Burning

Regulation No. 9, 5 CCR 1001-11

The permittee shall obtain a permit from the Division for any regulated open burning activities in accordance with provisions of Regulation No. 9.

18. Ozone Depleting Compounds

Regulation No. 15, 5 CCR 1001-17

The permittee shall comply with the provisions of Regulation No. 15 concerning emissions of ozone depleting compounds. Sections I., II.C., II.D., III. IV., and V. of Regulation No. 15 shall be enforced as a matter of state law only.

19. Permit Expiration and Renewal

Regulation No. 3, 5 CCR 1001-5, Part C, §§ III.B.6., IV.C., V.C.2.

- a. The permit term shall be five (5) years. The permit shall expire at the end of its term. Permit expiration terminates the permittee's right to operate unless a timely and complete renewal application is submitted.
- b. Applications for renewal shall be submitted at least twelve months, but not more than 18 months, prior to the expiration of the Operating Permit. An application for permit renewal may address only those portions of the permit that require revision, supplementing, or deletion, incorporating the remaining permit terms by reference from the previous permit. A copy of any materials incorporated by reference must be included with the application.

20. Portable Sources

Regulation No. 3, 5 CCR 1001-5, Part C, § II.D.

Portable Source permittees shall notify the Air Pollution Control Division at least 10 days in advance of each change in location.

21. Prompt Deviation Reporting

Regulation No. 3, 5 CCR 1001-5, Part C, § V.C.7.b.

The permittee shall promptly report any deviation from permit requirements, including those attributable to malfunction conditions as defined in the permit, the probable cause of such deviations, and any corrective actions or preventive measures taken.

“Prompt” is defined as follows:

- a. Any definition of “prompt” or a specific timeframe for reporting deviations provided in an underlying applicable requirement as identified in this permit; or
- b. Where the underlying applicable requirement fails to address the time frame for reporting deviations, reports of deviations will be submitted based on the following schedule:
 - (i) For emissions of a hazardous air pollutant or a toxic air pollutant (as identified in the applicable regulation) that continue for more than an hour in excess of permit requirements, the report shall be made within 24 hours of the occurrence;
 - (ii) For emissions of any regulated air pollutant, excluding a hazardous air pollutant or a toxic air pollutant that continue for more than two hours in excess of permit requirements, the report shall be made within 48 hours; and
 - (iii) For all other deviations from permit requirements, the report shall be submitted every six (6) months, except as otherwise specified by the Division in the permit in accordance with paragraph 22.d. below.
- c. If any of the conditions in paragraphs b.i or b.ii above are met, the source shall notify the Division by telephone (303-692-3155) or facsimile (303-782-0278) based on the timetables listed above. *[Explanatory note: Notification by telephone or facsimile must specify that this notification is a deviation report for an Operating Permit.]* A written notice, certified consistent with General Condition 2.a. above (Certification Requirements), shall be submitted within 10 working days of the occurrence. All deviations reported under this section shall also be identified in the 6-month report required above.

“Prompt reporting” does not constitute an exception to the requirements of "Emergency Provisions" for the purpose of avoiding enforcement actions.

22. Record Keeping and Reporting Requirements

Regulation No. 3, 5 CCR 1001-5, Part A, § II.; Part C, §§ V.C.6., V.C.7.

- a. Unless otherwise provided in the source specific conditions of this Operating Permit, the permittee shall maintain compliance monitoring records that include the following information:
 - (i) date, place as defined in the Operating Permit, and time of sampling or measurements;
 - (ii) date(s) on which analyses were performed;
 - (iii) the company or entity that performed the analysis;
 - (iv) the analytical techniques or methods used;
 - (v) the results of such analysis; and
 - (vi) the operating conditions at the time of sampling or measurement.
- b. The permittee shall retain records of all required monitoring data and support information for a period of at least five (5) years from the date of the monitoring sample, measurement, report or application. Support information, for this purpose, includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by the Operating Permit. With prior approval of the Air Pollution Control Division, the permittee may maintain any of the above records in a computerized form.
- c. Permittees must retain records of all required monitoring data and support information for the most recent twelve (12) month period, as well as compliance certifications for the past five (5) years on-site at all times. A permittee

shall make available for the Air Pollution Control Division's review all other records of required monitoring data and support information required to be retained by the permittee upon 48 hours advance notice by the Division.

- d. The permittee shall submit to the Air Pollution Control Division all reports of any required monitoring at least every six (6) months, unless an applicable requirement, the compliance assurance monitoring rule, or the Division requires submission on a more frequent basis. All instances of deviations from any permit requirements must be clearly identified in such reports.
- e. The permittee shall file an Air Pollutant Emissions Notice ("APEN") prior to constructing, modifying, or altering any facility, process, activity which constitutes a stationary source from which air pollutants are or are to be emitted, unless such source is exempt from the APEN filing requirements of Regulation No. 3, Part A, § II.D. A revised APEN shall be filed annually whenever a significant change in emissions, as defined in Regulation No. 3, Part A, § II.C.2., occurs; whenever there is a change in owner or operator of any facility, process, or activity; whenever new control equipment is installed; whenever a different type of control equipment replaces an existing type of control equipment; whenever a permit limitation must be modified; or before the APEN expires. An APEN is valid for a period of five years. The five-year period recommences when a revised APEN is received by the Air Pollution Control Division. Revised APENs shall be submitted no later than 30 days before the five-year term expires. Permittees submitting revised APENs to inform the Division of a change in actual emission rates must do so by April 30 of the following year. Where a permit revision is required, the revised APEN must be filed along with a request for permit revision. APENs for changes in control equipment must be submitted before the change occurs. Annual fees are based on the most recent APEN on file with the Division.

23. Reopenings for Cause

Regulation No. 3, 5 CCR 1001-5, Part C, § XIII.

- a. The Air Pollution Control Division shall reopen, revise, and reissue Operating Permits; permit reopenings and reissuance shall be processed using the procedures set forth in Regulation No. 3, Part C, § III., except that proceedings to reopen and reissue permits affect only those parts of the permit for which cause to reopen exists.
- b. The Division shall reopen a permit whenever additional applicable requirements become applicable to a major source with a remaining permit term of three or more years, unless the effective date of the requirements is later than the date on which the permit expires, or unless a general permit is obtained to address the new requirements; whenever additional requirements (including excess emissions requirements) become applicable to an affected source under the acid rain program; whenever the Division determines the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit; or whenever the Division determines that the permit must be revised or revoked to assure compliance with an applicable requirement.
- c. The Division shall provide 30 days' advance notice to the permittee of its intent to reopen the permit, except that a shorter notice may be provided in the case of an emergency.
- d. The permit shield shall extend to those parts of the permit that have been changed pursuant to the reopening and reissuance procedure.

24. Section 502(b)(10) Changes

Regulation No. 3, 5 CCR 1001-5, Part C, § XII.A.

The permittee shall provide a minimum 7-day advance notification to the Air Pollution Control Division and to the Environmental Protection Agency at the addresses listed in Appendix D of this Permit. The permittee shall attach a copy of each such notice given to its Operating Permit.

25. Severability Clause

Regulation No. 3, 5 CCR 1001-5, Part C, § V.C.10.

In the event of a challenge to any portion of the permit, all emissions limits, specific and general conditions, monitoring, record keeping and reporting requirements of the permit, except those being challenged, remain valid and enforceable.

26. Significant Permit Modifications

Regulation No. 3, 5 CCR 1001-5, Part C, § III.B.2.

The permittee shall not make a significant modification required to be reviewed under Regulation No. 3, Part B ("Construction Permit" requirements) without first receiving a construction permit. The permittee shall submit a complete Operating Permit application or application for an Operating Permit revision for any new or modified source within twelve months of commencing operation, to the address listed in Item 1 in Appendix D of this permit. If the permittee chooses to use the "Combined Construction/Operating Permit" application procedures of Regulation No. 3, Part C, then the Operating Permit must be received prior to commencing construction of the new or modified source.

27. Special Provisions Concerning the Acid Rain Program

Regulation No. 3, 5 CCR 1001-5, Part C, §§ V.C.1.b. & 8

- a. Where an applicable requirement of the federal act is more stringent than an applicable requirement of regulations promulgated under Title IV of the federal act, 40 Code of Federal Regulations (CFR) Part 72, both provisions shall be incorporated into the permit and shall be federally enforceable.
- b. Emissions exceeding any allowances that the source lawfully holds under Title IV of the federal act or the regulations promulgated thereunder, 40 CFR Part 72, are expressly prohibited.

28. Transfer or Assignment of Ownership

Regulation No. 3, 5 CCR 1001-5, Part C, § II.C.

No transfer or assignment of ownership of the Operating Permit source will be effective unless the prospective owner or operator applies to the Air Pollution Control Division on Division-supplied Administrative Permit Amendment forms, for reissuance of the existing Operating Permit. No administrative permit shall be complete until a written agreement containing a specific date for transfer of permit, responsibility, coverage, and liability between the permittee and the prospective owner or operator has been submitted to the Division.

29. Volatile Organic Compounds

Regulation No. 7, 5 CCR 1001-9, §§ III & V.

The requirements in paragraphs a, b and e apply to sources located in an ozone non-attainment area or the Denver 1-hour ozone attainment/maintenance area. The requirements in paragraphs c and d apply statewide.

- a. All storage tank gauging devices, anti-rotation devices, accesses, seals, hatches, roof drainage systems, support structures, and pressure relief valves shall be maintained and operated to prevent detectable vapor loss except when opened, actuated, or used for necessary and proper activities (e.g. maintenance). Such opening, actuation, or use shall be limited so as to minimize vapor loss.

Detectable vapor loss shall be determined visually, by touch, by presence of odor, or using a portable hydrocarbon analyzer. When an analyzer is used, detectable vapor loss means a VOC concentration exceeding 10,000 ppm. Testing shall be conducted as in Regulation No. 7, Section VIII.C.3.
- b. Except when otherwise provided by Regulation No. 7, all volatile organic compounds, excluding petroleum liquids, transferred to any tank, container, or vehicle compartment with a capacity exceeding 212 liters (56 gallons), shall be

transferred using submerged or bottom filling equipment. For top loading, the fill tube shall reach within six inches of the bottom of the tank compartment. For bottom-fill operations, the inlet shall be flush with the tank bottom.

- c. The permittee shall not dispose of volatile organic compounds by evaporation or spillage unless Reasonably Available Control Technology (RACT) is utilized.
- d. No owner or operator of a bulk gasoline terminal, bulk gasoline plant, or gasoline dispensing facility as defined in Colorado Regulation No. 7, Section VI, shall permit gasoline to be intentionally spilled, discarded in sewers, stored in open containers, or disposed of in any other manner that would result in evaporation.
- e. Beer production and associated beer container storage and transfer operations involving volatile organic compounds with a true vapor pressure of less than 1.5 PSIA actual conditions are exempt from the provisions of paragraph b, above.

30. Wood Stoves and Wood burning Appliances

Regulation No. 4, 5 CCR 1001-6

The permittee shall comply with the provisions of Regulation No. 4 concerning the advertisement, sale, installation, and use of wood stoves and wood burning appliances.

OPERATING PERMIT APPENDICES

- A - INSPECTION INFORMATION
- B - MONITORING AND PERMIT DEVIATION REPORT
- C - COMPLIANCE CERTIFICATION REPORT
- D - NOTIFICATION ADDRESSES
- E - PERMIT ACRONYMS
- F - PERMIT MODIFICATIONS

*DISCLAIMER:

None of the information found in these Appendices shall be considered to be State or Federally enforceable, except as otherwise provided in the permit, and is presented to assist the source, permitting authority, inspectors, and citizens.

APPENDIX A

Inspection Information

Directions to Plant:

The plant site is located at 2100 South Freeway in Pueblo. The entrance is near I-25 and Indiana.

Safety Equipment Required:

Eye Protection, Hard Hat, Safety Shoes, Hearing Protection.
Must be accompanied by Rocky Mountain Steel Mill employee.

Facility Plot Plan:

The following figures show the map and plot plan as submitted on October 1, 2002, with the source's Title V Operating Permit renewal application.

List of Insignificant Activities:

The following list of insignificant activities was provided by the source to assist in the understanding of the facility layout. Since there is no requirement to update such a list, activities may have changed since the last filing.

Each individual piece of fuel burning equipment, other than smokehouse generators and internal combustion engines, which uses gaseous fuel, and which has a design rate less than or equal to 5 million Btu per hour. (See definition of fuel burning equipment, Common Provisions Regulation).

Chemical storage areas where chemicals are stored in closed containers, and where total storage capacity does not exceed 5000 gallons. This exemption applies solely to storage of such chemicals. This exemption does not apply to transfer of chemicals from, to, or between such containers.

Each individual piece of fuel burning equipment which uses gaseous fuel, and which has a design rate less than or equal to 10 million Btu per hour, and which is used solely for heating buildings for personal comfort.

Air pollution emission units, operations or activities with emissions less than the appropriate de minimis reporting level.

Specific insignificant activities and/or sources of emissions identified in the application are as follows:

Fuel Burning Equipment:

There are 100-125 miscellaneous heaters located in and around the rail mill. The heaters range in size from 0.02 to 0.3 MMBtu/Hr.

Fuel Storage and Dispensing

Gasoline storage tank emissions addressed under Utilities Title V permit 95OPPB098.

Lubricating Oil Storage

Several lubricating and used oil storage tanks each with less than 40,000 gallons capacity.

Emissions Less Than APEN Reporting Threshold

Descaling

The descaling operation was evaluated in the Title V application. The calculations were based on 3% of the processed steel becoming scale when the bloom is heated in the furnace. Approximately 20% of the scale formed must be removed by a high pressure wash. It was assumed that 1% of the scale would escape as emissions during the high pressure wash. When 550,000 tons of steel processed per year, approximately 0.33 tons of particulate matter is released. The 0.33 tons per year is below APEN reporting thresholds. A small amount of the scale is stored for sale to the cement industry. The scale storage pit is less than 0.05 acres. The calculated particulate emissions from the storage pit are below the APEN reporting threshold.

Rolling Mill Lubricating Oil Use

Estimated emissions as particulates in aerosol mist estimated as less than two tons per year. MSDS does not identify any volatile organic compounds in the lubricant.

Mill Scale Handling

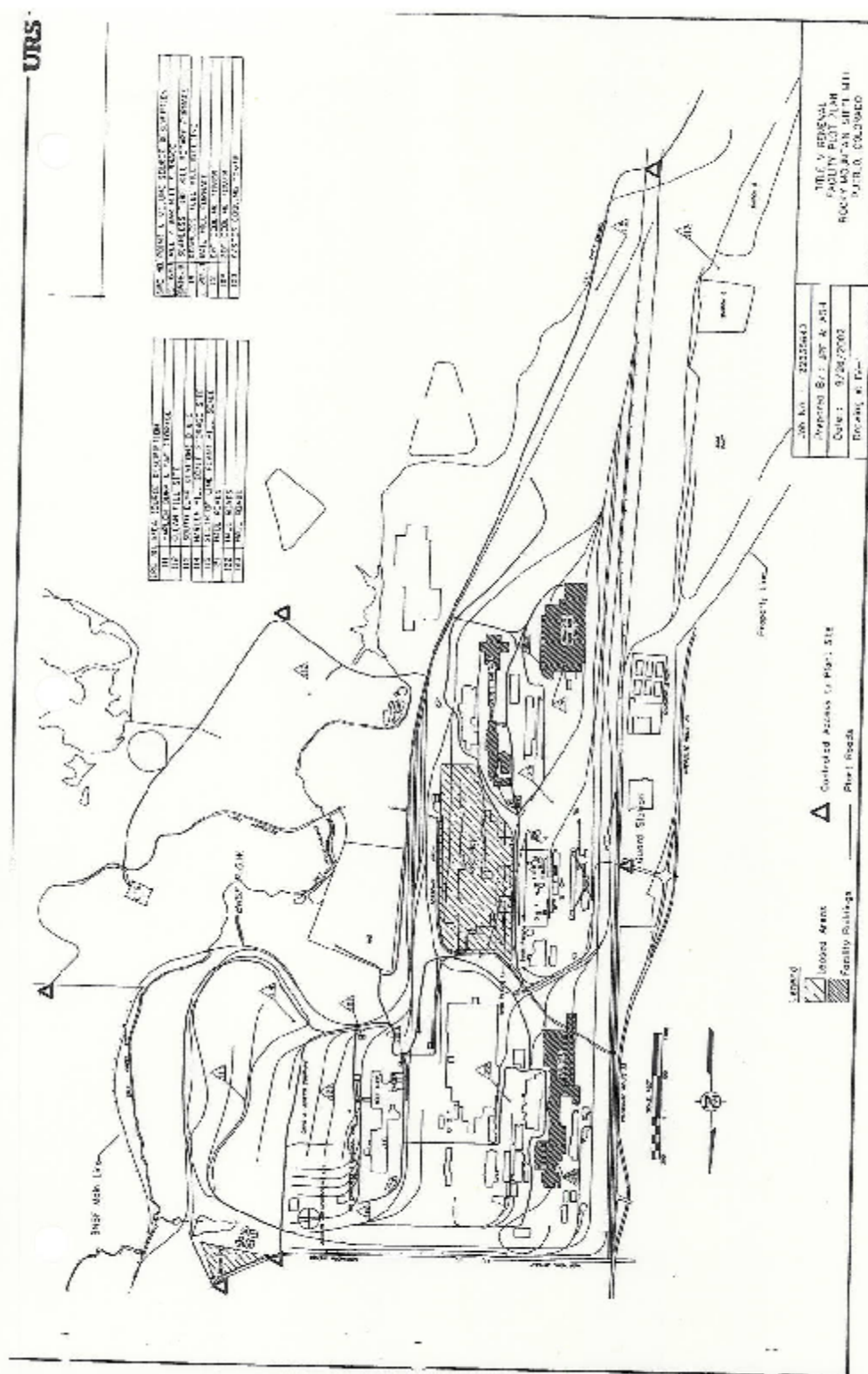
Billet Preparation

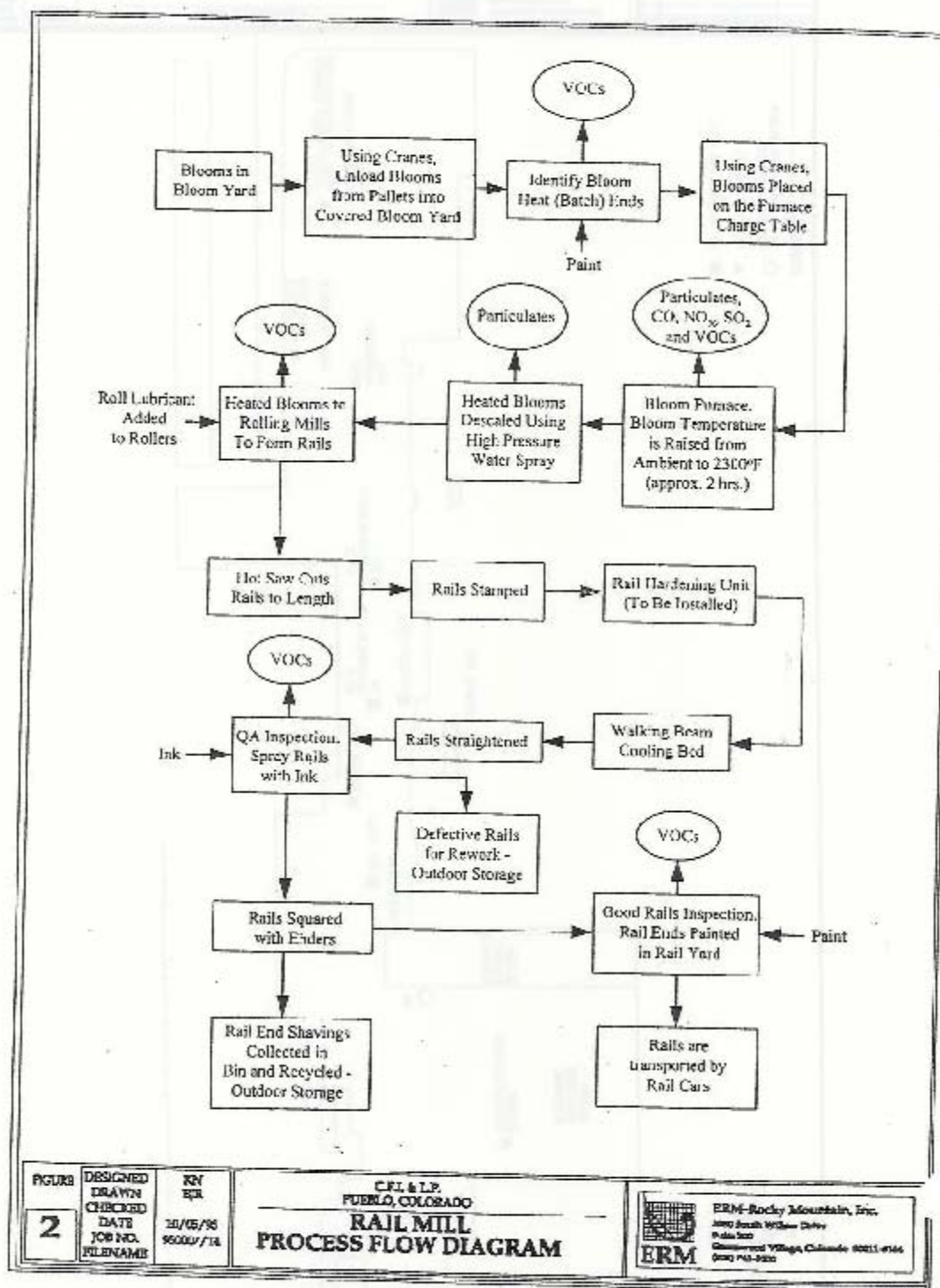
Handheld Grinding

Hot Sawing

Finishing (End Milling)

Rail Hardening Unit (Air Quench)





APPENDIX B

Reporting Requirements and Definitions

with codes ver 2/20/07

Please note that, pursuant to 113(c)(2) of the federal Clean Air Act, any person who knowingly:

- (A) makes any false material statement, representation, or certification in, or omits material information from, or knowingly alters, conceals, or fails to file or maintain any notice, application, record, report, plan, or other document required pursuant to the Act to be either filed or maintained (whether with respect to the requirements imposed by the Administrator or by a State);
- (B) fails to notify or report as required under the Act; or
- (C) falsifies, tampers with, renders inaccurate, or fails to install any monitoring device or method required to be maintained or followed under the Act shall, upon conviction, be punished by a fine pursuant to title 18 of the United States Code, or by imprisonment for not more than 2 years, or both. If a conviction of any person under this paragraph is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment shall be doubled with respect to both the fine and imprisonment.

The permittee must comply with all conditions of this operating permit. Any permit noncompliance constitutes a violation of the Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application.

The Part 70 Operating Permit program requires three types of reports to be filed for all permits. All required reports must be certified by a responsible official.

Report #1: Monitoring Deviation Report (due at least every six months)

For purposes of this operating permit, the Division is requiring that the monitoring reports are due every six months unless otherwise noted in the permit. All instances of deviations from permit monitoring requirements must be clearly identified in such reports.

For purposes of this operating permit, monitoring means any condition determined by observation, by data from any monitoring protocol, or by any other monitoring which is required by the permit as well as the recordkeeping associated with that monitoring. This would include, for example, fuel use or process rate monitoring, fuel analyses, and operational or control device parameter monitoring.

Report #2: Permit Deviation Report (must be reported “promptly”)

In addition to the monitoring requirements set forth in the permits as discussed above, each and every requirement of the permit is subject to deviation reporting. The reports must address deviations from permit requirements, including those attributable to malfunctions as defined in this Appendix, the probable cause of

such deviations, and any corrective actions or preventive measures taken. All deviations from any term or condition of the permit are required to be summarized or referenced in the annual compliance certification.

For purposes of this operating permit, “malfunction” shall refer to both emergency conditions and malfunctions. Additional discussion on these conditions is provided later in this Appendix.

For purposes of this operating permit, the Division is requiring that the permit deviation reports are due as set forth in General Condition 21. Where the underlying applicable requirement contains a definition of prompt or otherwise specifies a time frame for reporting deviations, that definition or time frame shall govern. For example, quarterly Excess Emission Reports required by an NSPS or Regulation No. 1, Section IV.

In addition to the monitoring deviations discussed above, included in the meaning of deviation for the purposes of this operating permit are any of the following:

- (1) A situation where emissions exceed an emission limitation or standard contained in the permit;
- (2) A situation where process or control device parameter values demonstrate that an emission limitation or standard contained in the permit has not been met;
- (3) A situation in which observations or data collected demonstrates noncompliance with an emission limitation or standard or any work practice or operating condition required by the permit; or,
- (4) A situation in which an excursion or exceedance as defined in 40CFR Part 64 (the Compliance Assurance Monitoring (CAM) Rule) has occurred. (only if the emission point is subject to CAM)

For reporting purposes, the Division has combined the Monitoring Deviation Report with the Permit Deviation Report. All deviations shall be reported using the following codes:

1 = Standard:	When the requirement is an emission limit or standard
2 = Process:	When the requirement is a production/process limit
3 = Monitor:	When the requirement is monitoring
4 = Test:	When the requirement is testing
5 = Maintenance:	When required maintenance is not performed
6 = Record:	When the requirement is recordkeeping
7 = Report:	When the requirement is reporting
8 = CAM:	A situation in which an excursion or exceedance as defined in 40CFR Part 64 (the Compliance Assurance Monitoring (CAM) Rule) has occurred.
9 = Other:	When the deviation is not covered by any of the above categories

Report #3: Compliance Certification (annually, as defined in the permit)

Submission of compliance certifications with terms and conditions in the permit, including emission limitations, standards, or work practices, is required not less than annually.

Compliance Certifications are intended to state the compliance status of each requirement of the permit over the certification period. They must be based, at a minimum, on the testing and monitoring methods specified in the permit that were conducted during the relevant time period. In addition, if the owner or operator knows of other material information (i.e. information beyond required monitoring that has been specifically assessed in relation to how the information potentially affects compliance status), that information must be identified and addressed in the compliance certification. The compliance certification must include the following:

- The identification of each term or condition of the permit that is the basis of the certification;
- Whether or not the method(s) used by the owner or operator for determining the compliance status with each permit term and condition during the certification period was the method(s) specified in the permit. Such methods and other means shall include, at a minimum, the methods and means required in the permit. If necessary, the owner or operator also shall identify any other material information that must be included in the certification to comply with section 113(c)(2) of the Federal Clean Air Act, which prohibits knowingly making a false certification or omitting material information;
- The status of compliance with the terms and conditions of the permit, and whether compliance was continuous or intermittent. The certification shall identify each deviation and take it into account in the compliance certification. Note that not all deviations are considered violations.¹
- Such other facts as the Division may require, consistent with the applicable requirements to which the source is subject, to determine the compliance status of the source.

The Certification shall also identify as possible exceptions to compliance any periods during which compliance is required and in which an excursion or exceedance as defined under 40 CFR Part 64 (the Compliance Assurance Monitoring (CAM) Rule) has occurred. (only for emission points subject to CAM)

Note the requirement that the certification shall identify each deviation and take it into account in the compliance certification. Previously submitted deviation reports, including the deviation report submitted at the time of the annual certification, may be referenced in the compliance certification.

¹ For example, given the various emissions limitations and monitoring requirements to which a source may be subject, a deviation from one requirement may not be a deviation under another requirement which recognizes an exception and/or special circumstances relating to that same event.

Startup, Shutdown, Malfunctions and Emergencies,

Understanding the application of Startup, Shutdown, Malfunctions and Emergency Provisions, is very important in both the deviation reports and the annual compliance certifications.

Startup, Shutdown, and Malfunctions

Please note that exceedances of some New Source Performance Standards (NSPS) and Maximum Achievable Control Technology (MACT) standards that occur during Startup, Shutdown or Malfunctions may not be considered to be non-compliance since emission limits or standards often do not apply unless specifically stated in the NSPS. Such exceedances must, however, be reported as excess emissions per the NSPS/MACT rules and would still be noted in the deviation report. In regard to compliance certifications, the permittee should be confident of the information related to those deviations when making compliance determinations since they are subject to Division review. The concepts of Startup, Shutdown and Malfunctions also exist for Best Available Control Technology (BACT) sources, but are not applied in the same fashion as for NSPS and MACT sources.

Emergency Provisions

Under the Emergency provisions of Part 70 certain operational conditions may act as an affirmative defense against enforcement action if they are properly reported.

DEFINITIONS

Malfunction (NSPS) means any sudden, infrequent, and not reasonably preventable failure of air pollution control equipment, process equipment, or a process to operate in a normal or usual manner. Failures that are caused in part by poor maintenance or careless operation are not malfunctions.

Malfunction (SIP) means any sudden and unavoidable failure of air pollution control equipment or process equipment or unintended failure of a process to operate in a normal or usual manner. Failures that are primarily caused by poor maintenance, careless operation, or any other preventable upset condition or preventable equipment breakdown shall not be considered malfunctions.

Emergency means any situation arising from sudden and reasonably unforeseeable events beyond the control of the source, including acts of God, which situation requires immediate corrective action to restore normal operation, and that causes the source to exceed a technology-based emission limitation under the permit, due to unavoidable increases in emissions attributable to the emergency. An emergency shall not include noncompliance to the extent caused by improperly designed equipment, lack of preventative maintenance, careless or improper operation, or operator error.

APPENDIX B: Monitoring and Permit Deviation Report - Part I

- Following is the **required** format for the Monitoring and Permit Deviation report to be submitted to the Division as set forth in General Condition 21. The Table below must be completed for all equipment or processes for which specific Operating Permit terms exist.
- Part II of this Appendix B shows the format and information the Division will require for describing periods of monitoring and permit deviations, or malfunction or emergency conditions as indicated in the Table below. One Part II Form must be completed for each Deviation. Previously submitted reports (e.g. EER's or malfunctions) may be referenced and the form need not be filled out in its entirety.

FACILITY NAME: Evraz Rocky Mountain Steel– Rail Mill

OPERATING PERMIT NO: 95OPPB086

REPORTING PERIOD: _____ (see first page of the permit for specific reporting period and dates)

Operating Permit Unit ID	Unit Description	Deviations noted During Period? ¹		Deviation Code ²	Malfunction/Emergency Condition Reported During Period?	
		YES	NO		YES	NO
SRC020	230 MMBtu/hr ITAM, custom built walking beam furnace, natural gas fueled.					
N/A	Paint, Ink, Solvent and Thinner Use					
General Conditions						
Insignificant Activities						

¹ See previous discussion regarding what is considered to be a deviation. Determination of whether or not a deviation has occurred shall be based on a reasonable inquiry using readily available information.

² Use the following entries, as appropriate

- 1 = Standard:** When the requirement is an emission limit or standard
- 2 = Process:** When the requirement is a production/process limit
- 3 = Monitor:** When the requirement is monitoring
- 4 = Test:** When the requirement is testing
- 5 = Maintenance:** When required maintenance is not performed
- 6 = Record:** When the requirement is recordkeeping
- 7 = Report:** When the requirement is reporting
- 8 = CAM:** A situation in which an excursion or exceedance as defined in 40CFR Part 64 (the Compliance Assurance Monitoring (CAM) Rule) has occurred.
- 9 = Other:** When the deviation is not covered by any of the above categories

FACILITY NAME: Evraz Rocky Mountain Steel– Rail Mill
OPERATING PERMIT NO: 95OPPB086
REPORTING PERIOD:

OPERATING PERMIT UNIT IDENTIFICATION:

EXAMPLE

FACILITY NAME: Acme Corp.
OPERATING PERMIT NO: 96OPZZXXX
REPORTING PERIOD: 1/1/04 - 6/30/06

Is the deviation being claimed as an: Emergency _____ Malfunction XX N/A

(For NSPS/MACT) Did the deviation occur during: Startup _____ Shutdown _____ Malfunction
Normal Operation _____

OPERATING PERMIT UNIT IDENTIFICATION:

Asphalt Plant with a Scrubber for Particulate Control - Unit XXX

Operating Permit Condition Number Citation

Section II, Condition 3.1 - Opacity Limitation

Explanation of Period of Deviation

Slurry Line Feed Plugged

Duration

START- 1730 4/10/06
END- 1800 4/10/06

Action Taken to Correct the Problem

Line Blown Out

Measures Taken to Prevent Reoccurrence of the Problem

Replaced Line Filter

Dates of Malfunction/Emergencies Reported (if applicable)

5/30/06 to A. Einstein, APCD

Deviation Code _____

Division Code QA: _____

APPENDIX B: Monitoring and Permit Deviation Report - Part III

REPORT CERTIFICATION

SOURCE NAME: Evraz Rocky Mountain Steel – Rail Mill

FACILITY IDENTIFICATION NUMBER: 1010048

PERMIT NUMBER: 95OPPB086

REPORTING PERIOD: _____ (see first page of the permit for specific reporting period and dates)

All information for the Title V Semi-Annual Deviation Reports must be certified by a responsible official as defined in Colorado Regulation No. 3, Part A, Section I.B.38. This signed certification document must be packaged with the documents being submitted.

STATEMENT OF COMPLETENESS

I have reviewed the information being submitted in its entirety and, based on information and belief formed after reasonable inquiry, I certify that the statements and information contained in this submittal are true, accurate and complete.

Please note that the Colorado Statutes state that any person who knowingly, as defined in Sub-Section 18-1-501(6), C.R.S., makes any false material statement, representation, or certification in this document is guilty of a misdemeanor and may be punished in accordance with the provisions of Sub-Section 25-7 122.1, C.R.S.

Printed or Typed Name

Title

Signature of Responsible Official

Date Signed

Note: Deviation reports shall be submitted to the Division at the address given in Appendix D of this permit. No copies need be sent to the U.S. EPA.

Operating Permit Number: 95OPPB086

First Issued: October 1, 1998
Renewed: December 28, 2010
Last Revised: February 11, 2014

APPENDIX C

Required Format for Annual Compliance Certification Reports

Following is the format for the Compliance Certification report to be submitted to the Division and the U.S. EPA annually based on the effective date of the permit. The Table below must be completed for all equipment or processes for which specific Operating Permit terms exist.

FACILITY NAME: Evraz Rocky Mountain Steel– Rail Mill

OPERATING PERMIT NO: 95OPPB086

REPORTING PERIOD:

I. Facility Status

___ During the entire reporting period, this source was in compliance with **ALL** terms and conditions contained in the Permit, each term and condition of which is identified and included by this reference. The method(s) used to determine compliance is/are the method(s) specified in the Permit.

___ With the possible exception of the deviations identified in the table below, this source was in compliance with all terms and conditions contained in the Permit, each term and condition of which is identified and included by this reference, during the entire reporting period. The method used to determine compliance for each term and condition is the method specified in the Permit, unless otherwise indicated and described in the deviation report(s). Note that not all deviations are considered violations.

Operating Permit Unit ID	Unit Description	Deviations Reported ¹		Monitoring Method per Permit? ²		Was compliance continuous or intermittent? ³	
		Previous	Current	YES	NO	Continuous	Intermittent
SRC020	230 MMBtu/hr ITAM, custom built walking beam furnace, natural gas fueled.						
N/A	Paint, Ink, Solvent and Thinner Use						
General Conditions							
Insignificant Activities ⁴							

¹ If deviations were noted in a previous deviation report, put an “X” under “previous”. If deviations were noted in the current deviation report (i.e. for the last six months of the annual reporting period), put an “X” under “current”. Mark both columns if both apply.

² Note whether the method(s) used to determine the compliance status with each term and condition was the method(s) specified in the permit. If it was not, mark “no” and attach additional information/explanation.

³ Note whether the compliance status with of each term and condition provided was continuous or intermittent. "Intermittent Compliance" can mean either that noncompliance has occurred or that the owner or operator has data sufficient to certify compliance only on an intermittent basis. Certification of intermittent compliance therefore does not necessarily mean that any noncompliance has occurred.

NOTE: The Periodic Monitoring requirements of the Operating Permit program rule are intended to provide assurance that even in the absence of a continuous system of monitoring the Title V source can demonstrate whether it has operated in continuous compliance for the duration of the reporting period. Therefore, if a source 1) conducts all of the monitoring and recordkeeping required in its permit, even if such activities are done periodically and not continuously, and if 2) such monitoring and recordkeeping does not indicate non-compliance, and if 3) the Responsible Official is not aware of any credible evidence that indicates non-compliance, then the Responsible Official can certify that the emission point(s) in question were in continuous compliance during the applicable time period.

⁴ Compliance status for these sources shall be based on a reasonable inquiry using readily available information.

II. Status for Accidental Release Prevention Program:

- A. This facility _____ is subject _____ is not subject to the provisions of the Accidental Release Prevention Program (Section 112(r) of the Federal Clean Air Act)
- B. If subject: The facility _____ is _____ is not in compliance with all the requirements of section 112(r).
1. A Risk Management Plan _____ will be _____ has been submitted to the appropriate authority and/or the designated central location by the required date.

III. Certification

All information for the Annual Compliance Certification must be certified by a responsible official as defined in Colorado Regulation No. 3, Part A, Section I.B.38. This signed certification document must be packaged with the documents being submitted.

I have reviewed this certification in its entirety and, based on information and belief formed after reasonable inquiry, I certify that the statements and information contained in this certification are true, accurate and complete.

Please note that the Colorado Statutes state that any person who knowingly, as defined in § 18-1-501(6), C.R.S., makes any false material statement, representation, or certification in this document is guilty of a misdemeanor and may be punished in accordance with the provisions of § 25-7 122.1, C.R.S.

Printed or Typed Name

Title

Signature

Date Signed

NOTE: All compliance certifications shall be submitted to the Air Pollution Control Division and to the Environmental Protection Agency at the addresses listed in Appendix D of this Permit.

Operating Permit Number: 95OPPB086

First Issued: October 1, 1998
Renewed: December 28, 2010
Last Revised: February 11, 2014

APPENDIX D

Notification Addresses

1. Air Pollution Control Division

Colorado Department of Public Health and Environment
Air Pollution Control Division
Operating Permits Unit
APCD-SS-B1
4300 Cherry Creek Drive S.
Denver, CO 80246-1530

ATTN: Matt Burgett

2. United States Environmental Protection Agency

Compliance Notifications:

Office of Enforcement, Compliance and Environmental Justice
Mail Code 8ENF-T
U.S. Environmental Protection Agency, Region VIII
1595 Wynkoop Street
Denver, CO 80202-1129

502(b)(10) Changes, Off Permit Changes:

Office of Partnerships and Regulatory Assistance
Mail Code 8P-AR
U.S. Environmental Protection Agency, Region VIII
1595 Wynkoop Street
Denver, CO 80202-1129

APPENDIX E

Permit Acronyms

Listed Alphabetically:

AIRS -	Aerometric Information Retrieval System
AP-42 -	EPA Document Compiling Air Pollutant Emission Factors
APEN -	Air Pollution Emission Notice (State of Colorado)
APCD -	Air Pollution Control Division (State of Colorado)
ASTM -	American Society for Testing and Materials
BACT -	Best Available Control Technology
BTU -	British Thermal Unit
CAA -	Clean Air Act (CAAA = Clean Air Act Amendments)
CCR -	Colorado Code of Regulations
CEM -	Continuous Emissions Monitor
CF -	Cubic Feet (SCF = Standard Cubic Feet)
CFR -	Code of Federal Regulations
CO -	Carbon Monoxide
COM -	Continuous Opacity Monitor
CRS -	Colorado Revised Statute
EF -	Emission Factor
EPA -	Environmental Protection Agency
FI -	Fuel Input Rate in MMBtu/hr
FR -	Federal Register
G -	Grams
Gal -	Gallon
GPM -	Gallons per Minute
HAPs -	Hazardous Air Pollutants
HP -	Horsepower
HP-HR -	Horsepower Hour (G/HP-HR = Grams per Horsepower Hour)
LAER -	Lowest Achievable Emission Rate
LBS -	Pounds
M -	Thousand
MM -	Million
MMscf -	Million Standard Cubic Feet
MMscfd -	Million Standard Cubic Feet per Day
N/A or NA -	Not Applicable
NO _x -	Nitrogen Oxides
NESHAP -	National Emission Standards for Hazardous Air Pollutants
NSPS -	New Source Performance Standards
P -	Process Weight Rate in Tons/Hr
PE -	Particulate Emissions
PM -	Particulate Matter
PM ₁₀ -	Particulate Matter Under 10 Microns

PSD -	Prevention of Significant Deterioration
PTE -	Potential To Emit
RACT -	Reasonably Available Control Technology
SCC -	Source Classification Code
SCF -	Standard Cubic Feet
SIC -	Standard Industrial Classification
SO ₂ -	Sulfur Dioxide
TPY -	Tons Per Year
TSP -	Total Suspended Particulate
VOC -	Volatile Organic Compounds

APPENDIX F

Permit Modifications

DATE OF REVISION	SECTION NUMBER, CONDITION NUMBER	DESCRIPTION OF REVISION
February 11, 2014	Section I, Condition 6.1 Section II, Condition 2 Appendices A, B & C	<u>Minor Modification to add Subpart M MMM Requirements</u> Updated description of rail mill paint, ink solvent and thinner use. Added MACT Subpart M MMM requirements (new Conditions 2.3 & 2.4). ERMS already submitted the initial notification (received December 14, 2012) and notification of compliance status (received Jan 31, 2013), so these requirements were not included in the new condition. Added new Condition 2.2 to specify how emissions are calculated for APEN reporting purposes. Note that this unit is grandfathered from construction permitting requirements and therefore no annual VOC limits are included. Removed paint and solvent from the list of insignificant activities in Appendix A and added to the reporting formats in Appendices B & C.
	Section II, Condition 1.2	<u>Minor Modification to Remove Synthetic Minor HAP Limits</u> Stack tests conducted in May and September, 2011 showed that the facility is a major source of HAP. The permittee submitted a minor modification request to remove the facility-wide synthetic minor HAP limits of Condition 1.2. This condition was deleted and subsequent conditions 1.3 – 1.10 were renumbered.
	Section IV & Section II, Condition 1.4	General Conditions updated to current version (5/22/2012)
	Page following cover page	Administrative modification to updated the reporting periods so that they coincide with the Seamless Mill reporting periods (95OPPB089)
	Section II, Condition 1.6	<u>Minor Modification:</u> Modified the maximum natural gas heat content from 1000 btu/scf to 1010 btu/scf (based on recent gas heat values). The CEMS shall be reprogrammed to use the new value within 30 days of permit issuance. This value is used to calculate compliance with the lb/MMBtu NO _x limit in the federal consent decree.

DATE OF REVISION	SECTION NUMBER, CONDITION NUMBER	DESCRIPTION OF REVISION
February 11, 2014	Appendix A	Administrative modification to remove welding from the list of insignificant activities.
	Throughout	Administrative mod to fix inconsistencies in facility/company name
	Page following cover page	Administrative mod to update responsible official
	Appendix D	Updated EPA's mailing address